

A Renewed Alliance

Unions build worker power by organizing workers, taking on management in contract negotiations, and fighting on the shop floor. But some locals and internationals are reviving an old tactic and allying with worker cooperatives, companies that are wholly owned and run by their workers. Unions are doing this to save jobs, build worker power, nurture community alliances, and secure new members.

In a worker cooperative, the workers are the owners. They set their own wages and working conditions, but also make all the business decisions. In larger cooperatives, workers often govern the business through works councils and an elected board that appoints the managers. Unionized cooperatives have collective bargaining agreements, but the relationship between the union and the “employer” (their members) is different.

To build this alliance, regional hubs are growing, like the Los Angeles Union Coop Initiative and Co-op Cincy in Cincinnati.

Unions and Cooperatives Can Grow Together

Join us!

For more information contact

U.S. Federation of Worker
Cooperatives / Union-Coops Council
info@usworker.coop
www.unioncoops.org
www.usworker.coop
(415) 392-7277

For questions about business
conversions"

Workers to Owners Collaborative
Joe Marraffino (NY)
jmarraffino@institute.coop
info@institute.coop (415) 379-9201
www.becomingemployeeowned.org

R|A

© 2019 Research|Action

Unions are Building Worker Power Through Worker Cooperatives

Pictured: New Era Windows, a cooperative unionized with the United Electrical Workers. Credit: The Working World.

Unions and Coops Have a Long History Together

In the late 19th century, American unions and cooperatives saw themselves as part of the same movement, often as members of the Knights of Labor. Today, the Union-Co-ops Council of the U.S. Federation of Worker Co-ops brings together unionists and cooperatives seeking new ways to collaborate. For the United Steelworkers' Rob Witherell, now is a vital time for remaking this alliance.

Separately, unions and cooperatives face enormous challenges. For unions, the ability to secure good contracts has diminished as membership continues to shrink and employers' power continues to grow. For worker-owned cooperatives, challenges include access to the investments and loans needed to grow their businesses or to start up new cooperatives, especially in capital-intensive sectors such as manufacturing, and access to broader support networks.

Separately, unions and cooperatives face enormous challenges... Together, unions and cooperatives have the potential to create sustainable jobs that support sustainable communities, the potential to organize workers and workplaces in whole new ways, and even the potential to fundamentally transform our economy and our society for the better. (International Journal of Labor Research, 2013, v. 5, n.2)

In the United States today, a few locals, central labor councils, and international unions are already seeing themselves as part of the same movement. In 2009, United Steelworkers announced an alliance with the largest worker coop network in the world, Mondragon in the Basque region of Spain. The nonprofit 1worker1vote seeks to extend that alliance nationwide. Service Employees International Union 1199 represents workers at Cooperative Home Care Associates in the Bronx, NY, which is the largest worker coop in the country with 860 worker-owners out of a total of 1,954 workers.

Further, craft unions are exploring how their apprenticeship programs and benefits can provide vital support to workers in unionized worker co-ops and the United Food and Commercial Workers is organizing staff at consumer-owned food cooperatives across the country.

Here are ways unions and worker co-ops can – and are – building power together

Save Jobs

When a Chicago window factory threatened to close, its workers sat-in. With the help of United Electrical Workers, they took over the factory and formed New Era Windows, a worker coop.

Union business managers and other leaders can be trained to spot opportunities to convert businesses to cooperatives and save jobs, for instance when retiring owners have no heirs interested in taking over. Business advisors can be found through becomingemployeeowned.org, which is run by Democracy at Work Institute.

Create Jobs and Build Community

The South Central Federation of Labor in Wisconsin played an important role in launching Madison's \$3 million Cooperative Enterprise Development Program aimed at supporting new businesses owned by low wage workers and workers of color. In a city where the union movement is disproportionately white, the federation's role showed its determination to support good jobs for immigrants and people of color.

Sheet metal workers in Wisconsin and movers in NYC are exploring worker co-ops as a way to bid for jobs that contractors ignore and otherwise employ their union's members.

Organize New Members

More than 1,000 Denver taxi drivers decided to control their own destiny and not hand it over to Uber by starting their own cooperative, with the help of Communication Workers of America Local 7777. CWA provided crucial lobbying support with the state legislature to remove legal roadblocks for taxi co-ops. There are now two in the city.

In multistakeholder cooperatives, workers and community co-own the enterprise. This is the vision for Apple Street Market, which the United Food and Commercial Workers and its allies are developing on the north side of Cincinnati.

Invest Union Funds, Not on Wall Street, But In Worker Power

The Maine Lobstering Union Local 207 affiliated with the International Association of Machinists, voted in February 2017 to buy a wholesaler for \$4 million. It borrowed \$1 million of that from fellow Machinists locals and now owns and runs their own wholesaler, Lobster 207, out of Trenton, Maine. By cutting out the middleman between their lobsters and their market, they retain more control of the sale price and a bigger piece of the sale.



Pictured: Cooperative Home Care Associates (CHCA), a cooperative unionized with the Service Employees International Union. Credit: CHCA.